

NMB Bank

EARNINGS

HIGHLIGHTS

Dec 2025



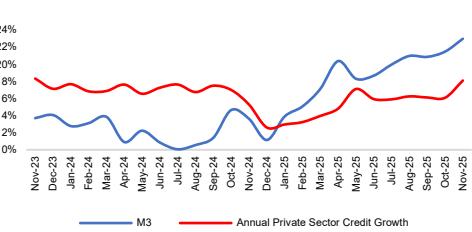
research@solomon.co.tz



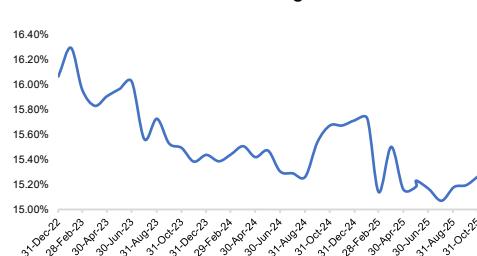
NMB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING DEC 2025

INDUSTRIAL OVERVIEW

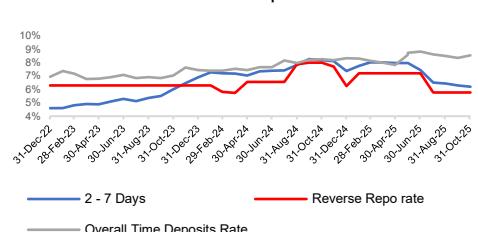
Annual M3 and Private Sector Credit Growth



Overall Lending Rate

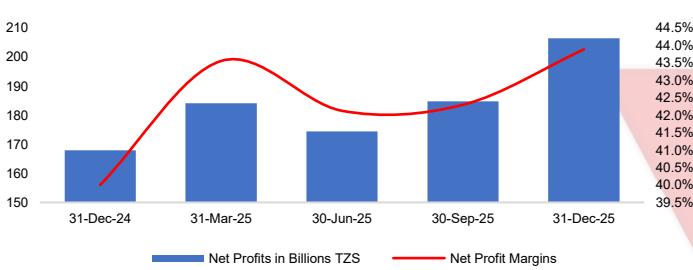


Interbank Cash Market, Reverse Repo & Overall Time Deposit Rates

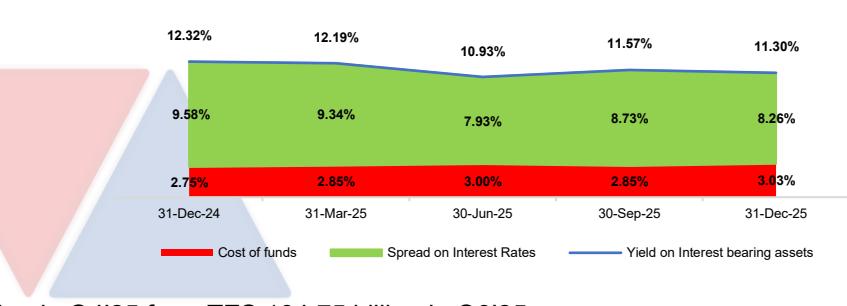


INCOME STATEMENT ANALYSIS

NMB Profitability Trend



NMB Indicative Interest Rates



Net Profits rose 11.74% QoQ amounting to TZS 206.44 billion in Q4'25 from TZS 184.75 billion in Q3'25

Possible Reasons:

Non-interest income rallied 16% QoQ amounting to TZS 171.64 billion in large part driven by a 13.50% QoQ growth in fees and commission income amounting to TZS 132.43 billion due to increased loan commitment fees following a net loan disbursement of TZS 891.90 billion, increased service charges and other distribution channel fees following a net collection of TZS 1.37 trillion in deposits and increased customer transaction activities that are usually synonymous with the Q4 holiday season.

Foreign currency grew 24.24% QoQ amounting to TZS 29.17 billion in Q4 largely driven by a stable TZS with the USD/TZS, EUR/TZS and GBP/TZS mean central bank rates depreciating by 0.19%, 0.25% and 0.56% respectively during the quarter. Other operating income grew 29.31% QoQ amounting to TZS 10.04 billion possibly driven by increased bad debt recoveries and miscellaneous income

Following the stellar growth in non-funded income, overall net operating income grew 7.7% QoQ creating a positive jaws against operating expenses which saw a marginal 1.53% QoQ growth resulting in QoQ Cost to Income ratio dropping to 36.16% from 37.6% in Q3'25

Improvements to be made:

Net Interest income recorded a 0.62% QoQ growth amounting to TZS 313.98 billion following interest expense growth of 19.75% QoQ outpacing interest income growth at 4.77% QoQ indicating marginal financing costs outpacing yields perhaps due to a net increment of TZS 122.18 billion in borrowings and provision of higher interest rates of certain deposits

Income Statement Analysis Amounts in Billions TZS	Dec-24	Mar-25	Jun-25	Sept-25	Dec-25
Net Operating Income	419.77	422.81	414.08	436.80	470.43
Growth Rate	7.87%	0.72%	-2.06%	5.49%	7.70%
Operating Expenses	175.14	159.75	165.06	165.06	175.60
Growth Rate	14.43%	-8.79%	3.33%	4.78%	1.53%

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BALANCE SHEET STATEMENT ANALYSIS

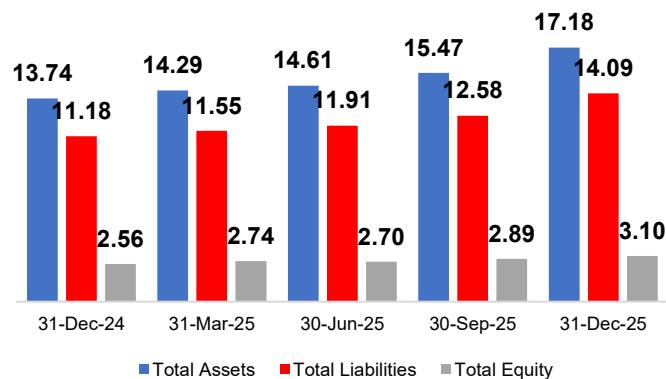
Total assets recorded a remarkable 11.06% QoQ, amounting to TZS 17.18 trillion, the fastest QoQ balance sheet growth recorded by the bank since Q2'2020

Key Drivers:

Earning Assets grew 7.32% QoQ amounting to TZS 14.78 trillion largely driven by a 9.35% QoQ growth in net loans amounting to TZS 10.43 trillion, interbank loan receivables rising 36.77% QoQ amounting to TZS 1.31 trillion and investment in government securities recording a 6.68% QoQ growth amounting to TZS 2.54 trillion.

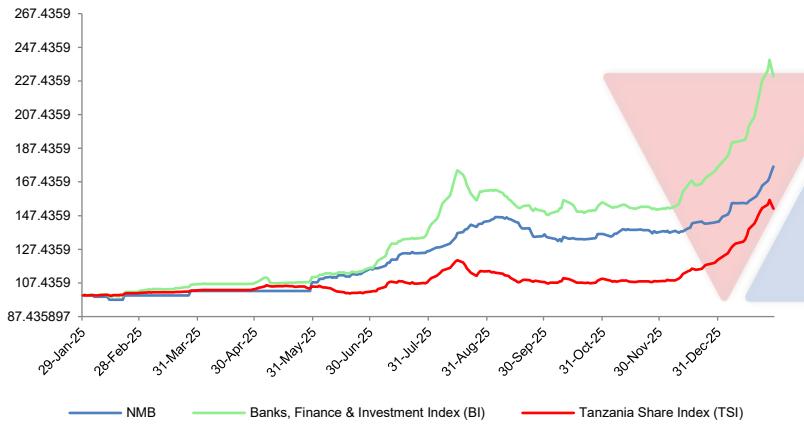
Financing this growth was liabilities which grew 11.95% QoQ amounting to TZS 14.09 trillion on the back of a strong 12.5% QoQ growth in deposits amounting to TZS 12.34 trillion and borrowings which ticked up 10.47% QoQ amounting to TZS 1.29 trillion. Shareholders Equity grew 7.18% closing at TZS 3.10 trillion during the same period.

NMB Balance Sheet Highlights in Trillions TZS



INVESTORS' CORNER

NMB Share Price Performance versus BI and TSI Index rebased at 100



Supporting Fundamentals

Ticker	NMB
Closing Price as of 29 th Jan 2026	TZS 10,330
Book Value per Share	TZS 6,194.31
P/B Ratio	1.67x
Trailing EPS*	TZS 1,499.55
P/E Ratio	6.89x
ROE	24.21%
ROA	4.36%

CUMULATIVE REVIEW & OUTLOOK

NMB's after tax profits have seen a 15.90% QoQ growth amounting to TZS 749.77 billion compared to a TZS 646.89 billion profit recorded the year prior. The growth is underpinned by a 12.76% YoY growth in net interest income amounting to TZS 1.19 trillion from TZS 1.06 trillion recorded in FY'2024. Non-interest income during the same period saw a 9.07% YoY growth amounting to TZS 631.22 billion from TZS 578.74 billion the year prior following a healthy 10.14% YoY growth in fees and commissions likely driven by increased distribution channel fees following increased customer transactions and loan commitment fees as well as a 71.53% YoY growth in other operating income closing at TZS 40.69 billion possibly driven by increased loan recoveries, gains from bond trading and miscellaneous incomes. All while cost containment continued to remain an anchoring feature with the bank recording a positive jaws between net operating income growth at 12.55% YoY outpacing operating expense growth at 8.89% YoY resulting in the cost to income ratio falling from 37.77% in 2024 to 36.90% in 2025. (Dividend estimate at a 33% payout stands at TZS 495/share)

Looking ahead the NMB is expected to remain a key beneficiary of strong macro-economic prospects such as strong private sector credit demand which as of Nov-2025 saw a 18.08% YoY growth amounting to TZS 43.39 trillion and a 22.96% YoY growth in M3 money supply which currently stands at TZS 60.89 trillion driven by increased foreign and direct investments into the country and stronger household incomes particularly those from Salaried Worker Loans. Furthermore, NMB's unanticipated 25.10% YoY balance sheet growth, most of it which was recorded during the last Quarter coupled with its positions the bank in a position where it can reaccelerate earnings growth in the first half of 2026 driven by increased net interest income as well as fees and commissions income.

Furthermore, NMB's new Medium Term Plan (MTP) dubbed Agenda 2030 carries new enthusiasm of more accelerated growth as the plan shifts focus from scale to depth by powering retail with tailored propositions, deepening wholesale share of wallet through end-to-end value-chain solutions, expanding beyond traditional banking into new businesses, and evolving SME banking into broader ecosystems—aimed at sustaining growth, innovation, and long-term value creation. For context, during the previous 2021 – 2025 MTP, the bank was able to record commendable success centered around a balance sheet CAGR growth of 19.48% YoY, Profit After Tax growth of 28.95% YoY and share price growth of 29.16% CAGR between 2021 – 2025.

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RATIO ANALYSIS

NMB Bank Ratios	31-Mar-24	30-Jun-24	30-Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25
Capital Structure:								
Borrowings to Equity	60.67%	62.77%	62.16%	53.19%	48.76%	47.02%	40.39%	41.63%
Equity Multiplier	5.53	5.83	5.61	5.37	5.21	5.41	5.35	5.55
Equity to Assets Ratio	18.08%	17.16%	17.84%	18.63%	19.19%	18.49%	18.68%	18.02%
Asset Quality:								
NPL Ratio	2.85%	2.80%	3.02%	2.95%	3.08%	2.88%	2.72%	2.50%
NPL Coverage Ratio	103.69%	102.18%	101.25%	93.27%	94.18%	94.67%	101.51%	96.56%
Cost of Risk	0.30%	0.32%	0.30%	0.10%	0.25%	0.21%	0.24%	0.15%
Management Quality:								
Loan Growth	1.95%	3.39%	2.96%	1.60%	3.70%	5.00%	3.07%	9.35%
Deposit Growth	1.91%	5.98%	1.38%	3.25%	3.85%	3.96%	7.80%	12.50%
Earning to Total Assets	83.00%	82.00%	82.00%	84.00%	83.00%	93.00%	89.00%	86.00%
Earnings Quality:								
Net Profit Growth	30.64%	19.87%	19.45%	18.65%	14.83%	14.13%	14.16%	15.90%
Net Profit Margin	42.65%	42.26%	42.02%	41.74%	43.55%	42.85%	42.66%	42.99%
Cost to Income Ratio	36.71%	36.86%	36.89%	37.77%	35.90%	36.95%	37.17%	36.90%
Liquidity:								
Loan to Deposit Ratio	95.00%	93.00%	94.00%	91.00%	92.00%	93.00%	89.00%	86.00%
Liquid to Total Assets	27.58%	27.40%	28.99%	29.69%	29.04%	28.13%	28.92%	30.55%
Loan to Deposits & Borrowings	79.71%	78.14%	78.84%	78.82%	79.24%	80.87%	78.61%	76.55%

ANALYST'S NAMES & CONTACTS

Emmanuel Matunda
emmanuel@solomon.co.tz

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PSSSF House, Ground Floor
Samora Avenue / Morogoro Road
P.O. Box 77049
Dar es Salaam

+255 764 269090
+255 714 269090

research@solomon.co.tz

www.solomon.co.tz

@sstockbrokers

#elimuYaUwekezajiHisa